

Calendar No. 635

89TH CONGRESS
1ST SESSION

H. R. 8469

[Report No. 653]

IN THE SENATE OF THE UNITED STATES

AUGUST 4 (legislative day, AUGUST 3), 1965

Read twice and referred to the Committee on Post Office and Civil Service

AUGUST 30, 1965

Reported by Mr. YARBOROUGH, with amendments

[Omit the part struck through and insert the part printed in *italic*]

AN ACT

To provide certain increases in annuities payable from the civil service retirement and disability fund, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That (a) section 1 (t) of the Civil Service Retirement Act,
4 as amended (5 U.S.C. 2251 (t)), is amended to read as
5 follows:

6 “(t) The term ‘price index’ shall mean the Consumer
7 Price Index (all items—United States city average) pub-
8 lished monthly by the Bureau of Labor Statistics. The term
9 ‘base month’ shall mean the month for which the price index

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1 showed a per centum rise forming the basis for a cost-of-
2 living annuity increase."

3 (b) Section 17 (a) of such Act, as amended (5 U.S.C.
4 2267 (a)), is amended by inserting immediately before the
5 period at the end thereof the following: ", and for payment
6 of administrative expenses incurred by the Commission in
7 placing in effect each annuity adjustment granted under
8 section 18 of this Act".

9 (c) Section 18 of such Act, as amended (5 U.S.C.
10 2268), is amended to read as follows:

11 "SEC. 18. (a) Effective the first day of the third month
12 which begins after the date of enactment of this amendment
13 each annuity payable from the fund which has a commencing
14 date not later than such effective date shall be increased by
15 (1) the per centum rise in the price index, adjusted to the
16 nearest one-tenth of 1 per centum, determined by the Com-
17 mission on the basis of the annual average price index for
18 calendar year 1962 and the price index for the month latest
19 published on date of enactment of this amendment, plus (2)
20 $6\frac{1}{2}$ per centum if the commencing date (or in the case of the
21 survivor of a deceased annuitant the commencing date of the
22 annuity of the retired employee) occurred on or before
23 October 1, 1956, or $11\frac{1}{2}$ per centum if the commencing date
24 (or in the case of the survivor of a deceased annuitant the
25 commencing date of the annuity of the retired employee)

1 occurred after October 1, 1956. The month used in deter-
2 mining the increase based on the per centum rise in the
3 price index under this subsection shall be the base month for
4 determining the per centum change in the price index until
5 the next succeeding increase occurs. Each survivor annuity
6 authorized (1) by section 8 of the Act of May 29, 1930,
7 as amended to July 6, 1950, or (2) by section 2 of Public
8 Law 85-465, shall be increased by any additional amount
9 which may be required to make the total increase under this
10 subsection equal to 15 per centum or \$10 per month, which-
11 ever is the lesser.

12 “(b) Each month after the first increase under this sec-
13 tion, the Commission shall determine the per centum change
14 in the price index. “Effective the first day of the third
15 month which begins after the price index shall have equaled
16 a rise of at least 3 per centum for three consecutive months
17 over the price index for the base month, each annuity pay-
18 able from the fund which has a commencing date not later
19 than such effective date shall be increased by the per centum
20 rise in the price index (calculated on the highest level of the
21 price index during the three consecutive months) adjusted
22 to the nearest one-tenth of 1 per centum.”;

23 “(c) Eligibility for an annuity increase under this sec-
24 tion shall be governed by the commencing date of each an-

1 nuity payable from the fund as of the effective date of an
2 increase, except as follows:

3 “(1) Effective from its commencing date, an an-
4 nuity payable from the fund to an annuitant's survivor
5 (other than a child entitled under section 10 (d)),
6 which annuity commences the day after annuitant's
7 death and after the effective date of the first increase
8 under this section, shall be increased by the total per
9 centum increase the annuitant was receiving under this
10 section at death, except that the increase in a survivor
11 annuity authorized by section 8 of the Act of May 29,
12 1930, as amended to July 6, 1950, shall be computed
13 as if the annuity commencing date had been the effective
14 date of the first increase under this section.

15 “(2) For purposes of computing an annuity which
16 commences after the effective date of the first increase
17 under this section to a child under section 10 (d), the
18 items \$600, \$720, \$1,800, and \$2,160 appearing in sec-
19 tion 10 (d) shall be increased by the total per centum
20 increase allowed and in force under this section for
21 employee annuities which commenced after October 1,
22 1956, and, in case of a deceased annuitant, the items
23 40 per centum and 50 per centum appearing in section
24 10 (d) shall be increased by the total per centum increase

1 allowed and in force under this section to the annuitant
2 at death.

3 “(d) No increase in annuity provided by this section
4 shall be computed on any additional annuity purchased at
5 retirement by voluntary contributions.

6 “(e) The monthly installment of annuity after adjust-
7 ment under this section shall be fixed at the nearest dollar,
8 except that such installment shall after adjustment reflect
9 an increase of at least \$1.”

10 ~~SEC. 2. Section 10 of the Civil Service Retirement Act,~~
11 ~~as amended (5 U.S.C. 2260), is amended by striking out~~
12 ~~“55” wherever it appears therein and inserting in lieu~~
13 ~~thereof “60”. This amendment shall not apply with respect~~
14 ~~to employees or Members retired or otherwise separated~~
15 ~~prior to the date of enactment of this Act.~~

16 SEC. 3 2. The provisions under the heading “CIVIL SERV-
17 ICE RETIREMENT AND DISABILITY FUND” in title I of the
18 Independent Offices Appropriation Act, 1959 (72 Stat.
19 1064; Public Law 85-844), shall not apply with respect
20 to benefits resulting from the enactment of this Act.

Passed the House of Representatives August 3, 1965.

Attest:

RALPH R. ROBERTS,

Clerk.

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